

CHAPTER 64

AGRICULTURAL LAND LEASES FOR BEGINNING FARMERS

H.F. 457

AN ACT providing for the leasing of agricultural land by the department of natural resources to beginning farmers.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. NEW SECTION. **456A.38 Lease to beginning farmers program.**

1. As used in this section, unless the context otherwise requires:

a. “Agricultural land”, “authority”, “beginning farmer”, and “farming” mean the same as defined in section 175.2.

b. “Program” means the lease to beginning farmers program as provided in this section.

2. The department of natural resources shall establish and administer a lease to beginning farmers program. The department shall annually lease agricultural land that it holds or manages as wildlife habitat in each county to beginning farmers seeking to participate in the program. The department shall advertise the program in a manner that encourages wide participation by beginning farmers to lease the agricultural land.

3. The department shall establish annual lease payments for available agricultural land under the program by using the following criteria:

a. Market factors.

b. Prior leases for the same or comparable agricultural land.

c. The cost of establishment or maintenance of soil conservation practices, if applicable.

d. Other criteria established by the department.

4. The department shall execute a lease with a beginning farmer selected to participate in the program after such person has been certified by the agricultural development authority as a beginning farmer who meets the requirements of the authority, which shall be based on section 175.12, subsection 3, paragraphs “a”, “c”, “f”, and “g”.

5. a. If two or more beginning farmers seek to execute a lease under the program for the same agricultural land, the department shall select the beginning farmer to participate in the program by drawing lots.

b. If no beginning farmer seeks to participate in the program, or no beginning farmer is found qualified to participate in the program, the department shall lease the agricultural land under another lease program that it administers pursuant to chapter 461A, including as provided in 571 IAC ch. 21.

6. The department shall establish terms and conditions in the lease for beginning farmers participating in the program. The lease executed by the department under the program shall at least include all of the following:

a. The number of acres leased. The department shall not lease more than two hundred forty acres of agricultural land to a beginning farmer for the production of crops. However, this restriction does not apply to agricultural land leased for grazing livestock.

b. The term of the lease. The term may be based on the use of the agricultural land. A lease shall not be for more than seven years. A beginning farmer shall not sublease the agricultural land.

c. The required and permitted uses of the agricultural land during the lease term. The department may require the establishment of a conservation system, crop rotation, or cover crop, if appropriate. The department may require that a beginning farmer adopt generally accepted farming practices or soil conservation practices, so long as such practices are compatible with the department’s policies related to resource management and outdoor recreation.

7. At the end of a lease term, a beginning farmer who leased agricultural land under the program is eligible to be selected again to lease the same agricultural land. However, the department shall provide a preference to an available beginning farmer who has not previously participated in the program.

8. The department is not required to lease agricultural land under the program that it would not otherwise lease for farming. The department may lease agricultural land for farming

under another lease program administered by the department pursuant to its authority under chapter 461A, including as provided in 571 IAC ch. 21, only after it has made agricultural land available for lease to all beginning farmers seeking to participate in the program.

9. The department shall adopt rules necessary to administer this section.

Approved April 24, 2013